

Project and Lands Committee

Nicodemus Slough Water Management Project Lease/Project Agreement

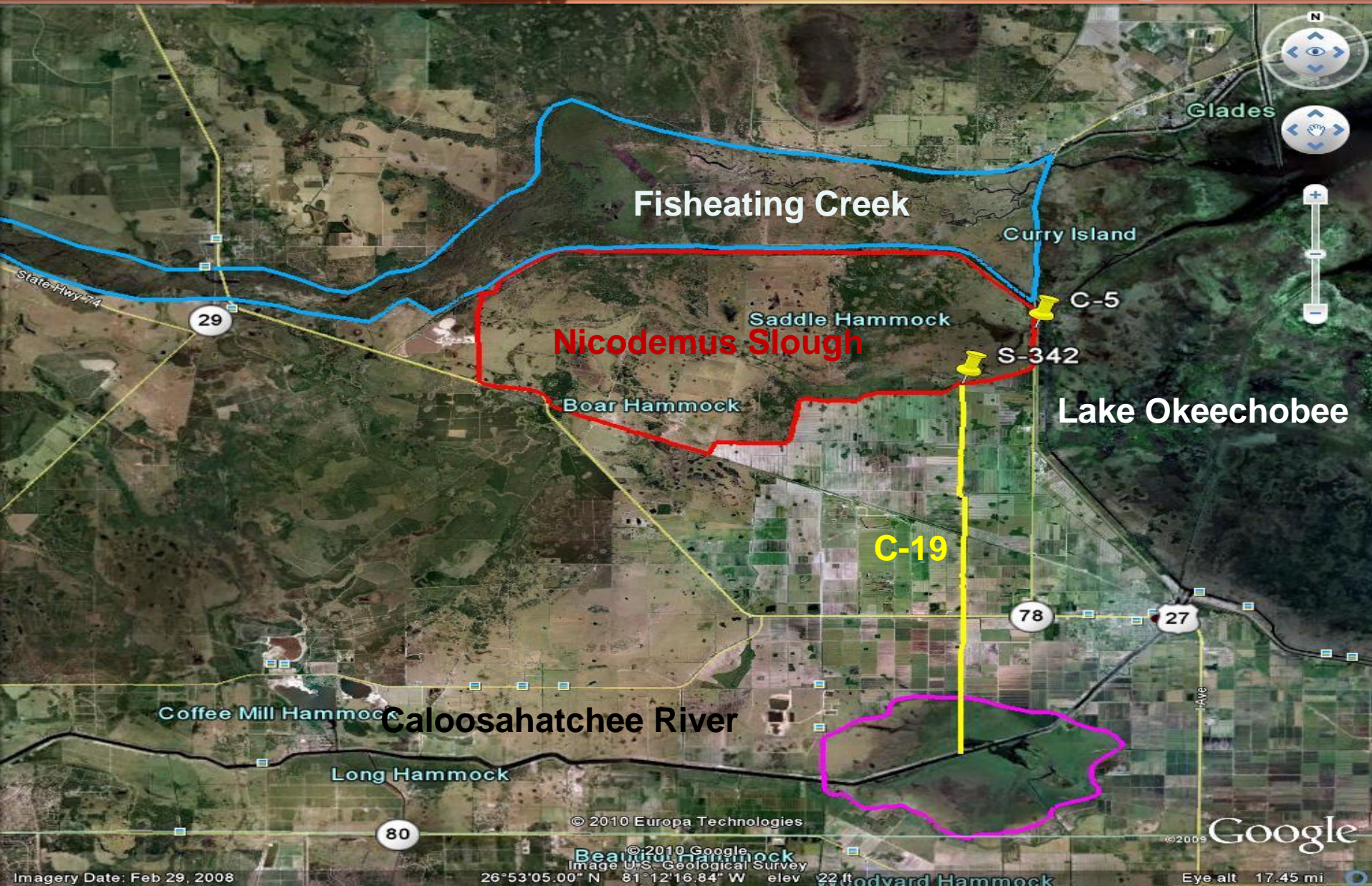
**Benita Whalen, P.E., Deputy Director
Water Resource Regulation Department**

February 09, 2011

Project Location



Nicodemus Slough Water Management Connections to Lake Okeechobee, Caloosahatchee and Fisheating Creek



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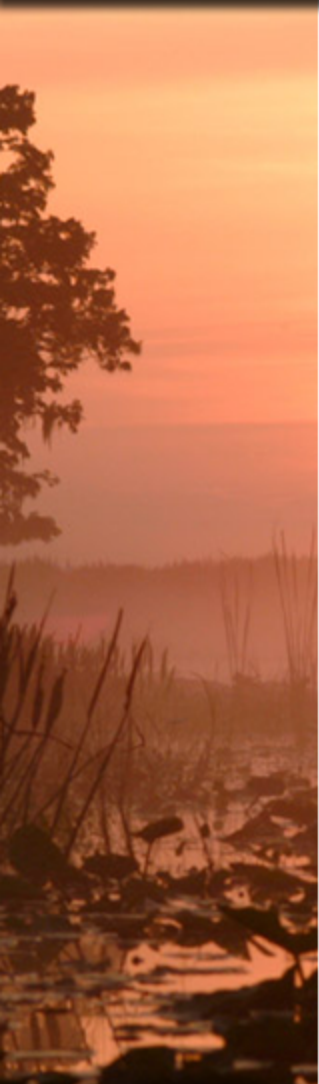
HISTORY:

- Alternative Water Storage Project in 2004 Lake Okeechobee Watershed Protection Plan
- Project concept submitted in response to a 2006 District request for interested partners for Alternative Water Storage/Disposal
- Conceptual Design Study for Nicodemus Slough was completed in April 2008

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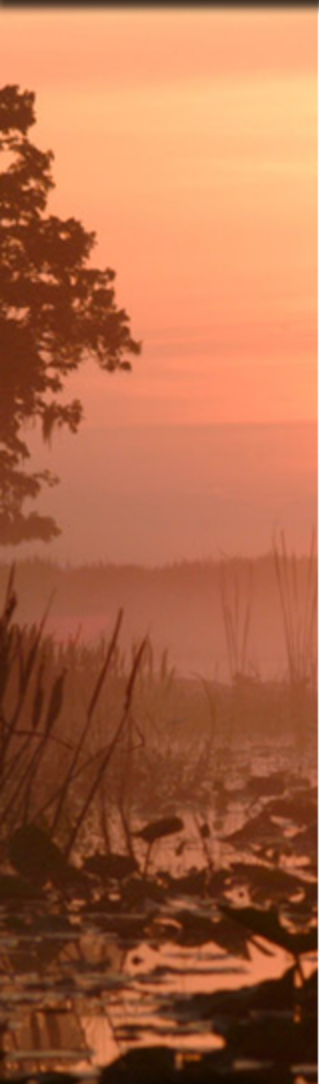
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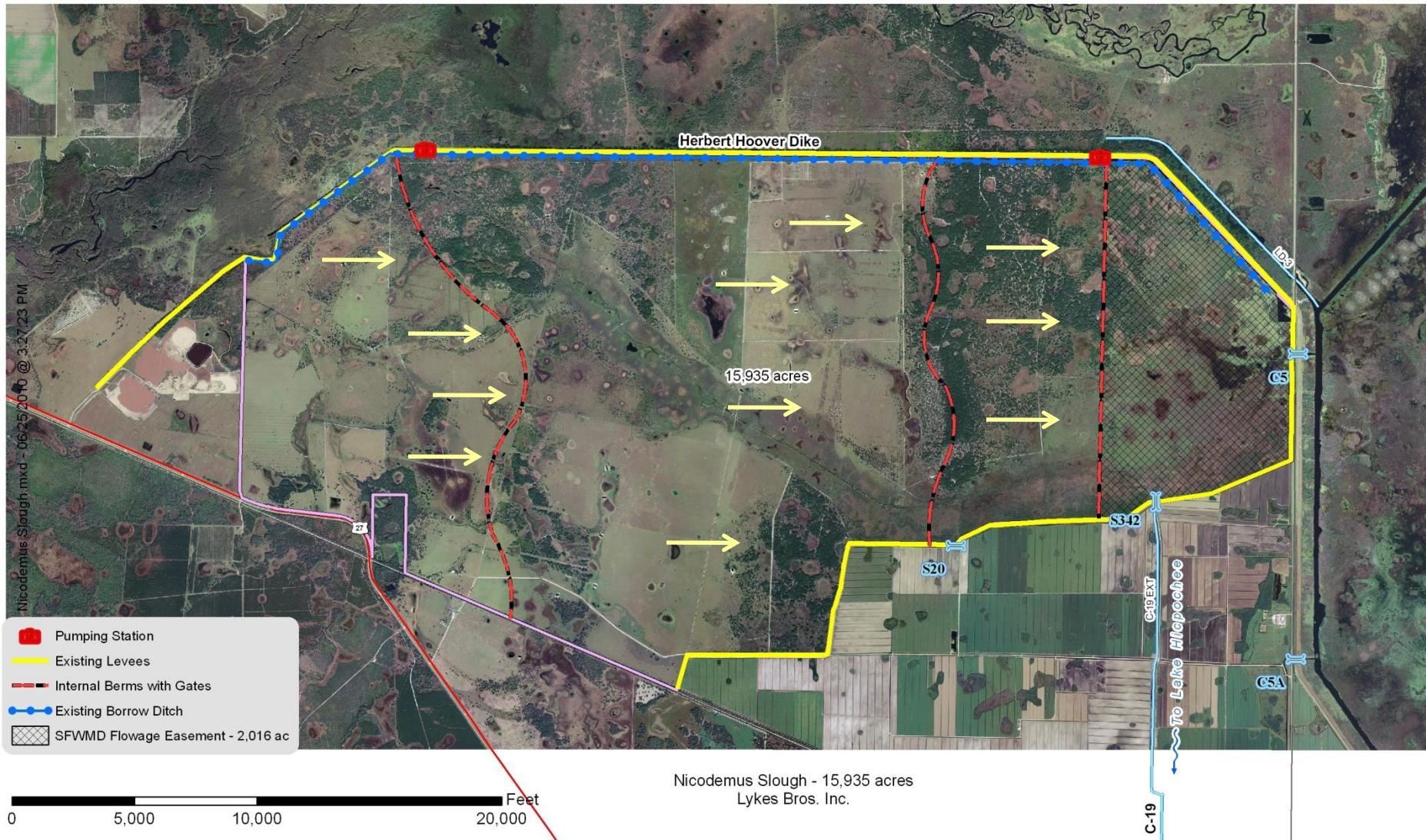
- **Included in the Northern Everglades Planning Documents, specifically in the Fisheating Creek Sub-Watershed Feasibility Study**
- **Continues to be listed in District Water Storage & Treatment Updates as “Potential Project – Construction Unfunded”**



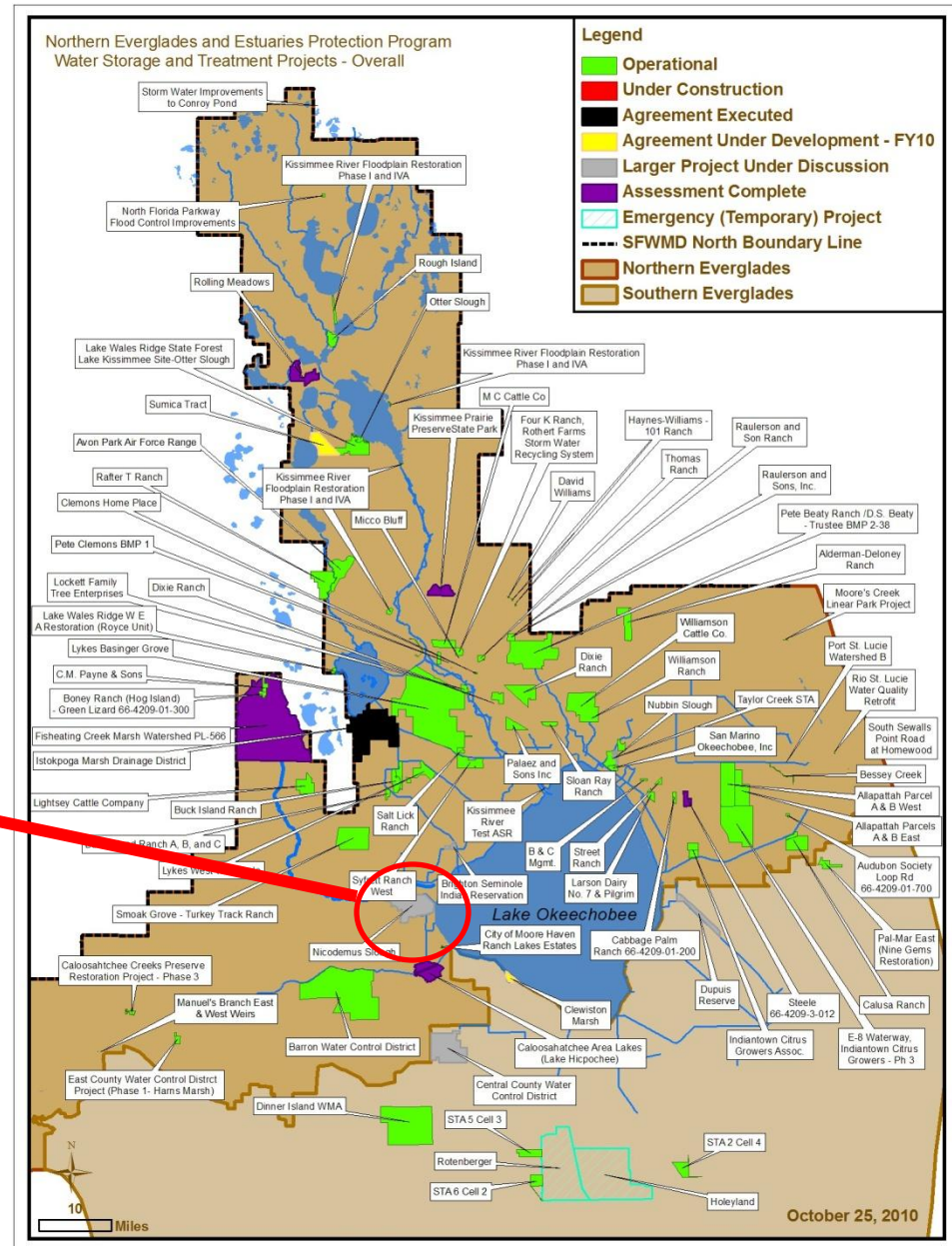
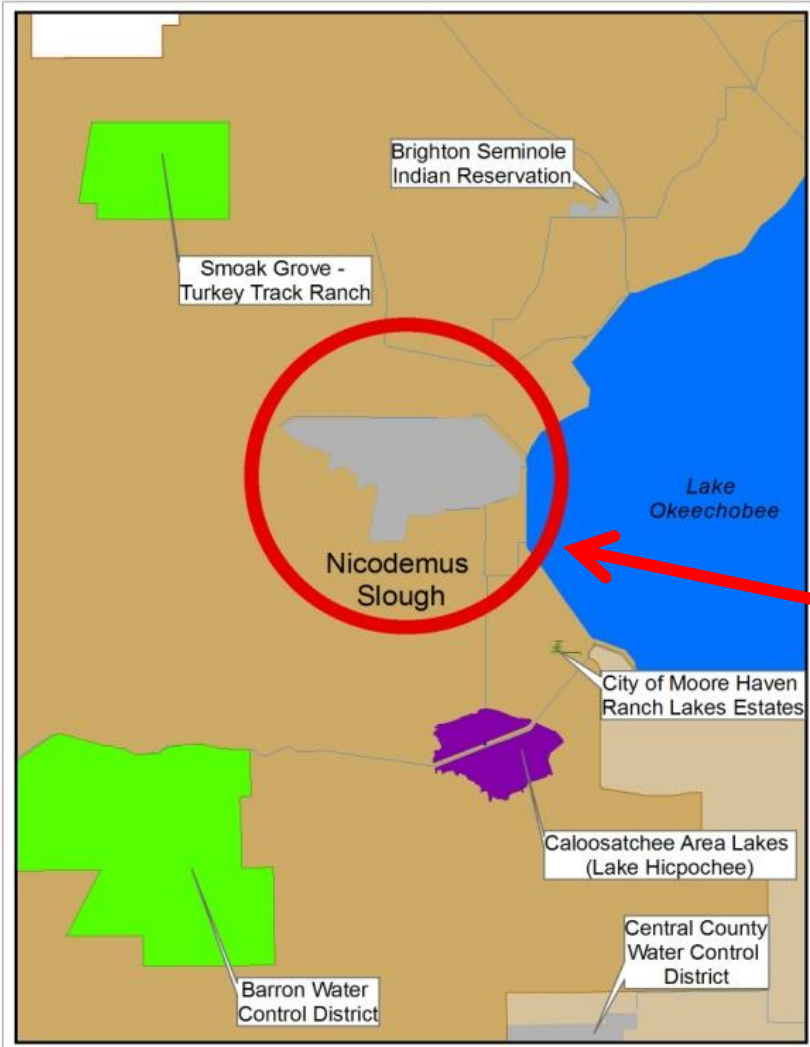
Nicodemus Slough Conceptual Design Study – 2008

- 14 alternatives for Nicodemus Slough were evaluated
- Most important design selection criteria:
 - storage volume
 - technical suitability
 - permitting
- 2 alternatives were modeled
- Estimated construction costs = \$5.1 M





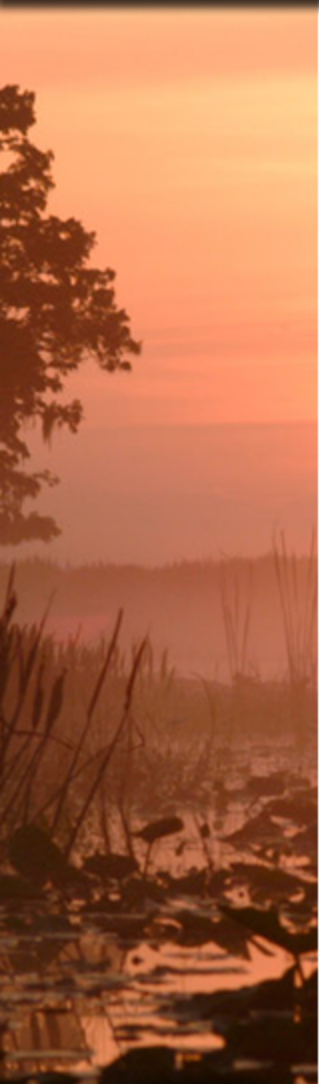
Potential Water Storage & Treatment Projects



Nicodemus Slough Water Management Lease/Project Agreement

PROJECT DESCRIPTION:

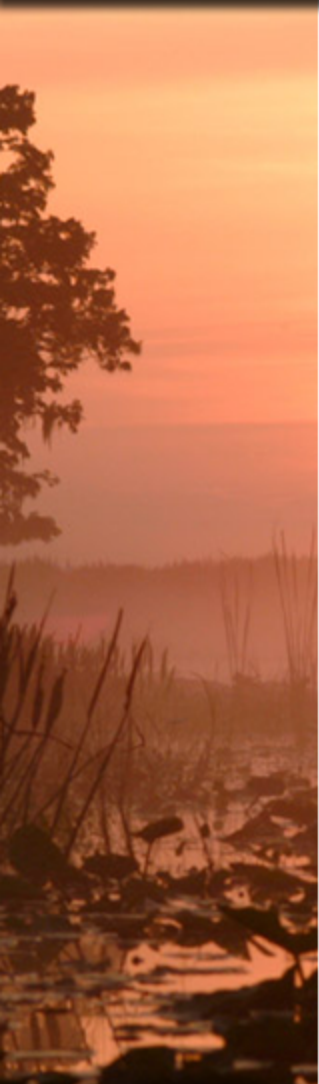
- **Unique attributes**
 - **Strategic geographical location**
 - **Existing water management connections**
 - **Lease extends District water management facilities and operations**



Nicodemus Slough Water Management Lease/Project Agreement

PROJECT DESCRIPTION continued:

- **Separate funding and different from other Programs**
 - **Northern Everglades – Payment For Environmental Services**
 - **Primarily rainfall retention**
 - **Not an decisional extension of regional system management**
 - **Conservation Easement Programs**
 - **Primarily habitat restoration**



Project Benefits

- Approximately 34,000 acre feet of regional water storage over approx. 16,000 acres
- Substantial P load reduction
(*West Waterhole Pasture 2,500 acres 3.3 Mtons in 11 weeks*)
- Reduce harmful estuary discharges
- Unique waterbody connections allows for significant management flexibility
(*Fisheating Creek, Lake Okeechobee, C-19 to Caloosahatchee River*)
- Potential dry season, treated water supply to Caloosahatchee Estuary or Lake
- Benefits realized early

Project Benefits

- Major structural project features already exist (15.7 miles of existing dike and levees)
- Final design and permitting for remaining features could be finished in less than one year
- Adjacent lands are either highways or under ownership by Lykes Bros., Inc.
- Relatively low cost

Contract Terms

10 year lease/project agreement

Design: \$350,000
Permitting: \$50,000
Construction: \$4,500,000

Lease: * \$2,100,000 per year (\$150/acre/year)

O & M: * \$400,000 per year

* Partial lease payments as land is taken out of production for construction

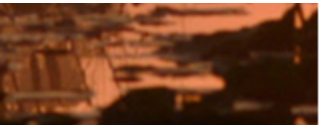
* Annual adjustment of 3% or CPI, whichever is greater

Contract not to exceed: \$28,646,622

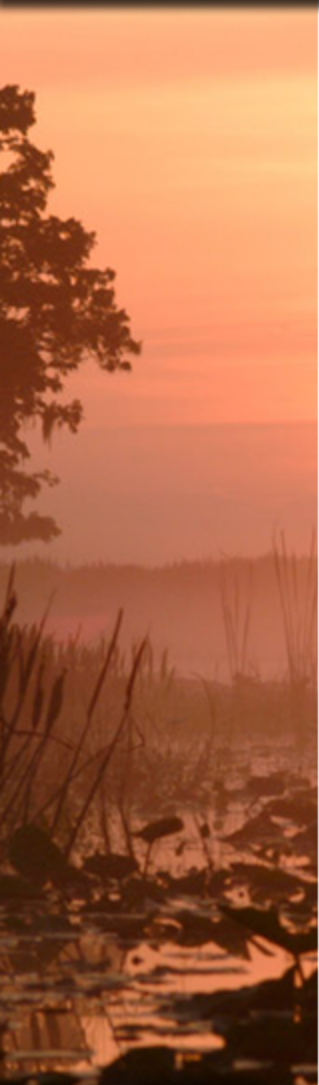
Nicodemus Slough Proposed Timeline

Months	FEB 2011	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	JAN 2012	FEB	MAR	APR	MAY
Agreement	X	X														
Final Design		X	X	X	X	X	X	X								
Permitting									X	X	X	X	X	X		
Construction														X	X	X*
Partial Lease Payment														X	X	X

*Construction March 2012 through March 2013



Contract Terms continued

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- **Pumps will remain District property – O&M responsibilities clearly defined**
 - **Potential for cultural resources design considerations**
 - **Contractual terms to be similar to West Waterhole Pasture including insurance and indemnification**
 - **Detailed operational plan developed through a public process and will become component of Environmental Resource Permit, providing water resource assurances**

Questions

